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Chairman: Mr. SENGWE (Zimbabwe)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10 a.m.

AGENDA ITEM 119: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued) (A/50/11/Add.2)

1. Mr. YAMAK (Turkey) said that following lengthy negotiations the General Assembly had decided that, in order to reduce the impact of the phasing out of the scheme of limits during the periods 1995-1997 and 1998-2000, the resulting allocation of additional points to developing countries benefiting from its application would be limited to 15 per cent of the effect of the phase-out. In implementing those provisions, the Committee on Contributions had excluded Turkey from the group of developing countries, on the grounds that it had not benefited from the scheme of limits for the 1992-1994 period, although no specific reference had been made to that scale period in the resolution adopted in 1993 for implementation during the scale period 1995-1997. Therefore, the reference to the 1992-1994 period was not valid. The States which could benefit from the 15 per cent limitation were those which, like Turkey, should have benefited from the application of the scheme during the period 1995-1997, the initial phasing-out period.

2. In its decision 50/471, the General Assembly had requested the Committee on Contributions to reconsider the inclusion of Turkey in the list of developing countries falling under paragraph 2 of General Assembly resolution 48/223 B. Paragraph 17 of the Committee's report clearly showed the Committee's own inconsistency in insisting on invoking again the 1992-1994 scale of assessments to exclude Turkey from the list of countries that could benefit from the scheme of limits.

3. Turkey had always appreciated that Committee's role and work. However, it was not in a position to accept an erroneous decision that had caused an unjustified increase of more than 40 per cent in its rate of assessment and would under no circumstances support any resolution on the scale of assessments which did not correct that error.

4. As far as the scale methodology was concerned, his delegation supported the use of market exchange rates, gross national product and population data, as had been recommended by the Ad Hoc Intergovernmental Working Group on the Implementation of the Principle of Capacity to Pay. The base period should be a multiple of the scale period, preferably six years, in order to provide stability and predictability for the assessments. The system of debt burden adjustment and low per capita income adjustment should be maintained and fine-tuned, if necessary. Moreover, the comparability, reliability and transparency of the data used should be improved. Many delegations had welcomed the proposal for a reduction of the floor assessment rate to 0.001 per cent, which would almost have the same effect as abolishing it. He therefore saw no reason why the scale of assessment could not be carried to four decimal points. The relief measures for developing countries should continue to be applied in the scale methodology. As a technical body, the Committee on Contributions should, in that regard, take advantage of the Secretariat's expertise.

5. Mr. OBEIDO (Syrian Arab Republic) said that the scale of assessments reflected the commitment of Member States to bear the expenses of the Organization, as provided for by Article 17 of the Charter, and to live up to that commitment by paying contributions based on a scale of assessments adopted by consensus.

6. His delegation fully endorsed the statement made by the representative of Costa Rica on behalf of the Group of 77 and China, and reaffirmed in particular its commitment to the principle of capacity to pay and shared responsibility of States, as the two basic criteria for the calculation of assessed contributions. The High-level Open-ended Working Group on the Financial Situation of the Organization had clearly indicated that the scale of assessments should, in all cases, take into account the capacity to pay and the special situation of developing countries and least developed countries, including the debt burden.

7. The Syrian Arab Republic had paid its assessed contribution to the regular budget of the United Nations for 1996 in full, despite an increase in its assessment which it had challenged as flying in the face of the fundamental principle of capacity to pay. It hoped that it would not face a similar situation with respect to the new scale and wished to stress, in that regard, as the Secretariat had repeatedly stressed, that the Organization's financial crisis stemmed from arrears in the payments of contributions by Member States, namely some of the major contributors. In fact, if Member States did not honour their commitments, the crisis would inevitably deepen even if the assessed contributions were increased.

8. The principle that the more economically advanced countries should defray a greater portion of the Organization's expenses than developing countries and least developed countries was the one that the Committee on Contributions should use to determine the assessed contributions for both the regular budget of the Organization and peacekeeping operations. That fundamental criterion should serve as a guide for consideration of that item by Member States.

9. As far as the scale methodology for the regular budget was concerned, the Syrian Arab Republic would like the base period to take greater account of countries' capacity to pay and the economic crises that some of them were facing. The proposals aimed at reducing the ceiling assessment rate would run counter to the principle that the countries that were more economically advanced should bear a greater share of the financial obligations. Moreover, the special provisions governing the apportionment of expenses relating to peacekeeping operations should be maintained in view of the provisional nature of such operations. In that connection, he recalled the special responsibilities conferred on the permanent members of the Security Council with respect to the financing of peacekeeping operations, under General Assembly resolutions 1874 (S-IV) and 3101 (XXVIII). It was essential that forces should always be present in areas of tension if international peace and security were to be maintained. Lastly, he reaffirmed his delegation's attachment to the principle of shared responsibility of Member States with regard to the financing of the Organization's expenses.

10. Ms. ARYSTANBEKOVA (Kazakhstan) said that her delegation was in favour of finding a lasting solution to the Organization's financial crisis, the

fundamental cause of which was the failure of Member States to meet their financial obligations. As the Secretary-General had reaffirmed in his report on the work of the Organization, the payment by Member States of their current contributions, as well as arrears from the previous years, was the first action that needed to be taken in discussing a long-term solution. For its part, Kazakhstan was committed to meeting its financial obligations in full, despite the difficulties it was facing.

11. Kazakhstan shared the view of a large number of Member States that the fundamental cause of the Organization's serious financial problems was the failure of the scale of assessments to apportion the expenses of the Organization fairly among its Member States. It should therefore be improved. The High-level Open-ended Working Group on the Financial Situation of the United Nations and the Ad Hoc Intergovernmental Working Group on Implementation of the Principle of Capacity to Pay had made valuable recommendations to the Committee on Contributions on the scale methodology. The Committee had spared no effort to develop a more balanced new scale of assessments, based in particular on its mandate under resolution 48/223.

12. Her delegation welcomed the growing understanding of the need for the scale to be based on the capacity to pay. However, that principle was not yet fully applied. The rates of assessment of Kazakhstan and other countries belonging to the "Group of 22 Member States" was much higher than their real capacity to pay. The scale methodology should therefore be adjusted on strictly scientific bases. Kazakhstan, for its part, hoped that the discrepancy in its rate of assessment would be corrected in the new scale, and felt that the artificial elements which had been incorporated into the methodology in recent years should be eliminated.

13. Kazakhstan supported the recommendation of the Committee on Contributions concerning the use of estimates of the gross national product as a first approximation of the capacity to pay. It believed that the scheme of limits was one of the most distorting elements of the scale methodology and hoped that the General Assembly, at its current session, would decide on how to eliminate it entirely in the next scale. It felt that a three-year base period would provide the most realistic approximation of the capacity to pay. Her delegation also supported the use of market exchange rates, on condition that the IMF rates were universally applied. It welcomed the efforts of the World Bank, IMF, and the United Nations Statistical Division to obtain high-quality statistical data.

14. Mr. MPAY (Cameroon) said that on the occasion of the fiftieth anniversary of the United Nations, the conclusion had been reached that the United Nations had achieved a great deal, but that it could accomplish more if it had adequate resources. Since Cameroon felt that the United Nations must have a healthy financial base, it had always done its utmost to fulfil its financial obligations to the Organization.

15. At the fifty-first session, the Committee was expected to give clear guidelines to the Committee on Contributions so that, at the fifty-second session, the latter could make recommendations on the scale of assessments for the period 1998-2000 that would be as satisfactory as those appearing in the report prepared on the basis of General Assembly resolution 48/223, which had been adopted by consensus. Although that resolution had not met all

expectations, it could be regarded as a milestone in the search for an equitable apportionment of the expenses of the Organization. In that regard, the provisions of paragraphs 1 (f) and 2, if reiterated, would satisfy not only the expectations of certain States (such as the 22 countries of the former Soviet Union, the Socialist Federal Republic of Yugoslavia and Czechoslovakia), but also the concerns of developing countries which had been benefitting from the application of the scheme of limits.

16. The Committee on Contributions and the Ad Hoc Intergovernmental Working Group on the Implementation of the Principle of Capacity to Pay had made commendable efforts to develop a methodology for establishing a scale which would be more transparent and more just, and would better reflect each State's capacity to pay. Their task would have been simplified, however, if all States had been in agreement on the elements that constituted capacity to pay. A country's ability to pay must be considered first. It was questionable whether a country with abundant natural resources which were untapped or with a heavy external debt, low per capita income and foreign exchange problems really had an ability to pay. Adjustments therefore needed to be made to the methodology so as to establish an equitable scale and avoid violent fluctuations in assessments.

17. Cameroon agreed with the Committee on Contributions that the base period for the computation of the scale should be a multiple of three years. To better reflect the real capacity to pay of countries, whose economic situations could change at any time, his delegation would have preferred a shorter period; since that solution could give rise to excessive variations in the scale, however, his delegation would propose a base period of six years.

18. With regard to conversion rates, market exchange rates should continue to be used, except in cases where they caused excessive fluctuations or distortions in the income of some Member States. In that respect, Cameroon noted the Committee's intention to keep under review the practical constraints on the use of those rates, particularly for countries that had multiple exchange rates, were experiencing high inflation, or were countries in transition. For those categories, it would be better to use the price adjusted rate of exchange in order to correct distortions. His delegation agreed with the recommendation of the Committee on Contributions that in future, all Member States whose share of adjusted national income was less than the current floor of 0.01 per cent should be assessed at their actual share of adjusted income, subject to a minimum assessment rate of 0.001 per cent.

19. The Committee must agree on how to modify the various elements of the scale methodology so that the next scale would reflect a fairer political balance. However, having a new scale was one thing and paying assessments in full and on time was another. Member States had a collective responsibility to ensure that the Organization was provided with adequate resources to deal with modern challenges. No State should feel that it was so powerful as to be able to dispense with the Organization.

20. Mr. MORARU (Republic of Moldova) said that the unfair apportionment of expenses was one of the main causes of the financial crisis of the Organization. A considerable part of the arrears in contributions corresponded to amounts

exceeding the real capacity to pay of many countries which, despite their efforts, could not honour their financial obligations to the United Nations in full and on time. The Republic of Moldova, which had paid an amount exceeding its assessed contribution to the regular budget in 1995 and already more than half its assessment for 1996, continued to have considerable arrears.

21. In that situation, his delegation supported the principle, reaffirmed in General Assembly resolution 48/223, that capacity to pay should remain the fundamental criterion for determining the scale of assessments. Moreover, the new scale methodology should be based on reliable, verifiable and comparable data. In that respect, the Republic of Moldova fully supported the proposal made by the European Union in the High-level Open-ended Working Group on the Financial Situation of the Organization.

22. By and large, the Republic of Moldova supported the comments and recommendations in the report of the Committee on Contributions. It commended that Committee for following the principle of equal treatment of all Member States. It supported the recommendations contained in paragraphs 50 and 55 of the report on the reduction of the floor assessment rate to 0.001 per cent and on carrying the scale of assessment to three decimal places, and was also in favour of using the gross national product as a basis. It considered that a short base period, preferably three years, would better reflect the real capacity to pay of countries. His delegation joined others in calling for the complete elimination of the scheme of limits in 1998.

23. Lastly, his delegation hoped that the Committee's consideration of the recommendations of the Committee on Contributions would lead to the development of an equitable scale which would take into account the real capacity to pay of Member States and encourage them to make regular payments, which would help overcome the financial difficulties of the Organization.

24. Mr. NAJEM (Lebanon) said that a review of the scale of assessments would not necessarily resolve the financial crisis, which was the result of an accumulation of arrears and could be resolved only if the States with the largest outstanding assessed contributions paid their arrears. The fact that certain developing countries were unable to pay their contributions did not mean that they did not respect the principles set out in Article 17 of the Charter. In order to resolve the crisis, resources must first of all be better distributed and better utilized.

25. With regard to the scale methodology, Lebanon shared the views expressed by the Group of 77 and China. Any review must be based on established principles, namely, the principle that the economically developed States must bear a greater share of the financial burden than the developing countries, many of which were overwhelmed by their debt burden, and the principle of capacity to pay. In that connection, he wished to recall the comments made by the Ad Hoc Intergovernmental Working Group of Experts on the Implementation of the Principle of Capacity to Pay (A/49/897, para. 27). His delegation believed that the floor rate should be abolished, since it was incompatible with the principle of capacity to pay. The special arrangements for the financing of peacekeeping operations should be maintained, in view of the special responsibilities of those Member States which were permanent members of the Security Council. The

financing of the Organization was a collective responsibility to be borne by all Member States so that the United Nations could achieve its objectives, for the benefit of all concerned.

26. Mr. MALAN (Côte d'Ivoire) endorsed the statement made on behalf of the Group of 77 and China and reiterated that capacity to pay must remain the fundamental criterion for the apportionment of the expenses of the Organization, since any other approach would be detrimental to the social and economic progress of the developing countries. The capacity of States to pay must be based on national income, which, while it did not fully reflect the social reality of the countries concerned, had the advantage of being a simple statistic which was readily available, subject to easy comparison and widely used. In order to ensure the stability of the scale and thus of the financial standing of the Organization, the base period should be gradually reduced to six years. With regard to the conversion rates, market exchange rates should be used, except in the case of countries with high inflation or distortions caused by market fluctuations. The debt-burden adjustment should be maintained, since it would be unfair not to take account of the grave difficulties being experienced by countries with heavy debt burdens.

27. Côte d'Ivoire, which honoured its financial obligations to the United Nations, was concerned about the Organization's financial situation and believed that a very clear distinction must be drawn between the crisis that resulted from the arrears owed by the State with the largest assessed contribution and the issue of the scale of assessments. It was not opposed to a possible reduction in the ceiling, provided that African countries, and especially those in Sub-Saharan Africa, did not suffer as a result.

28. Mr. NAMBURETE (Mozambique) said that his delegation associated itself with the statement made on behalf of the Group of 77 and China. It wished to reaffirm the principle that capacity to pay must be the fundamental criterion for the apportionment of the expenses of the Organization. That principle should be more effectively implemented in order to redress the unfair burden imposed on developing countries by the current scale methodology. Until such time as Member States agreed on what really constituted capacity to pay, it would be difficult to achieve consensus on the scale of assessments.

29. In demonstration of the need for political will, Mozambique had expressed its support for the resolutions of the General Assembly on the scale of assessments by paying its contributions in full and on time even though they were beyond its capacity to pay. Like the vast majority of the least developed and small island developing States, Mozambique was penalized by the application of a floor rate. In that regard, he disagreed with arguments that sought to establish a linkage between the scale methodology and the non-payment of contributions.

30. In order to make the scale more precise, an additional decimal place should be added to carry contribution rates to three decimal places. Moreover, the assessments of developing countries should be based on the actual share of world income which their adjusted national income represented. The base period should take into account the need to ensure the stability of the scale. Mozambique took note of the proposal to gradually reduce the length of the current base

period. With regard to the conversion rates, it would be preferable to use market exchange rates, except for countries which had multiple exchange rates or high inflation rates, or when markets experienced severe fluctuations, in which case price-adjusted exchange rates would be more advantageous. Debt-burden adjustment should be maintained as well as the low per capita income adjustment. The latter formula could perhaps be modified, provided that no increased burden was imposed on low-income countries. The ceiling, which had the same distorting effects as the floor rate and bore no relationship to capacity to pay, should not be lowered.

AGENDA ITEM 116: PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (A/50/7/Add.16 and A/51/7/Add.1; A/C.5/50/57 and Add.1)

31. Mr. TAKASU (Controller), introducing the most recent report of the Secretary-General on the proposed programme budget for the biennium 1996-1997 (A/C.5/50/57/Add.1), recalled that, in its resolution 50/214, the General Assembly had decided that the amount under expenditure sections represented a provisional total of $2,712 million (after the $50 million in cost reductions arising from an increase in the vacancy rate), that the projected level of savings to be achieved during the biennium would be $104 million, and that Member States should be assessed on the basis of the amount of $2,608 million. It had therefore been necessary to identify savings of $154 million through reductions in staff and non-staff costs. In the report which he had submitted in March, the Secretary-General had advised that an overall reduction of approximately $140 million appeared feasible through an increase in the vacancy rate and changes in work programmes and services. The report contained in document A/C.5/50/57/Add.1 identified the reductions required to bring the total level of expenditure to $2,608 million. The residual reductions of $14 million related to higher than anticipated vacancies and other non-post savings.

32. The General Assembly had decided that savings would not affect the full implementation of mandated activities and had requested the Secretary-General to ensure fair, equitable and non-selective treatment of all budget sections. It was anticipated that the programme of work, as modified by resolution 50/214, would be carried out in full, subject only to the adjustments required to accommodate activities within available resources. The proposed modifications of activities had been brought to the attention of or had been submitted for review by the relevant intergovernmental bodies, where applicable and where time considerations allowed. The information submitted to the Advisory Committee on Administrative and Budgetary Questions was summarized in annex III to the Advisory Committee's report.

33. In order to achieve the required reductions, there would have to be a significant decrease in staff costs, which comprised three quarters of the budget, by maintaining a vacancy rate of over 6.4 per cent (a rate of 6.4 per cent would yield savings of only $50 million of the $154 million required). The rate had already been increased through attrition, strict enforcement of the rule concerning the retirement age, an early separation programme, a recruitment freeze and the redeployment of staff. All those measures had been given careful consideration and had been taken in consultation with staff representatives. Should they prove insufficient, the involuntary separation of certain staff members would go into effect. At the end of August,

933 posts had been vacant, including 481 Professional posts and 452 General Service posts. The vacancy rate was determined by comparing the number of staff members included on the payroll and the total number of authorized posts. Obviously, the vacancy rate had a direct impact on the delivery of outputs and on the staff's responsibilities and workload. His calculation did not take into account the fact that the Organization must redeploy to regular budget posts staff members temporarily assigned to posts financed by outside sources whose missions were completed.

34. Savings were also expected to be realized on travel, consultants, temporary assistance for meetings, other temporary assistance and general operating expenses. One should be aware, however, that such reductions generally had had an indirect impact and could affect intermediate activities (data collection, consultations, etc.), rather than the final output.

35. In order to determine which activities and services would be affected by the reductions, programme managers had had to take into account a number of factors, including the number of vacancies and their implications for staff on board, reductions in non-staff costs, the need to reorganize programmes of work and to reassign staff members in the light of their qualifications, the priority of different activities, the importance of services for users and technological innovations. Efficiency reviews should facilitate compliance with the requirement imposed by the General Assembly that savings should not be realized to the detriment of the full implementation of mandated activities and programmes.

36. After adopting the programme budget for the 1996-1997 biennium and making the related appropriations, the General Assembly had mandated additional activities to be implemented within existing appropriations; then, in its resolutions 50/231 and 50/232, it had requested the Secretary-General to submit a report to it containing proposals on how to realize savings in order to absorb such additional expenses. However, insofar as the possibility of financing new activities would depend on a number of factors, such as their actual cost, currency fluctuations and inflation, it would be easier to respond to that request when the implementation of programmes was at a more advanced stage. The Secretary-General would therefore be in a better position to submit the proposals requested in his first performance report but, for the time being, there was no indication that the additional activities would entail excess expenditure.

37. Mr. HALLIDAY (Assistant Secretary-General for Human Resources Management) presented an update of the statistics on staff redeployment contained in annex VI of document A/51/7/Add.1. The latest figures would be reassuring to delegations concerned that the redeployment exercise would have a greater impact on staff from developing countries. The 58 staff members to be redeployed at the end of August 1996 were equally divided between nationals of developed countries and nationals of developing countries. As at 16 September 1996, 21 of them had been redeployed - 12 in the first group and 9 in the second. As at 15 October, 20 of the 37 staff members still to be redeployed had found new posts: 7 nationals of developed countries and 13 nationals of developing countries. The Secretary-General would continue to make every effort to find new posts for the 17 remaining staff members: 10 nationals of developed

countries and 7 nationals of developing countries, including 8 whose posts were financed from extrabudgetary funds.

38. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing document A/51/7/Add.1, said that the report was in two parts: the first part contained the observations and recommendations of the Advisory Committee, and the second part comprised ten annexes containing some of the information given to ACABQ at its request.

39. The background to the preparation of the reports of the Secretary-General and of ACABQ was given in paragraphs 1 to 6 of the Advisory Committee's report. As indicated by ACABQ in paragraph 4, the issues it had raised in document A/50/7/Add.16 were still relevant. He referred delegations to his statements to the Fifth Committee at its 48th and 61st meetings, at the fiftieth session.

40. Paragraphs 7 to 31 related to programme changes. The comments on a number of budget sections merely offered an illustration of the problems being encountered by the Secretariat in implementing General Assembly resolutions 50/214 and 50/215. The Advisory Committee had noted many deficiencies in the presentation of programme changes and had given a number of examples. The new budgetary presentation in the report of the Secretary-General was an improvement over the presentation in the preliminary document (A/C.5/50/57), but it was still difficult to understand the relationship between the numbers and the proposed programme changes. In some cases, for example the United Nations Conference on Trade and Development, no programme information was yet available. The Advisory Committee had requested additional clarification, and the information received appeared in annex II to its report. Since no information had been given in the Secretary-General's report on the involvement of intergovernmental machinery in the programme review exercise, the Advisory Committee had requested and received limited information thereon, which was reproduced in annex III.

41. In paragraphs 25 to 36 the Advisory Committee commented on staff reductions, the management of the vacancy situation, voluntary and involuntary separation of staff, efficiency gains and additional mandates. The Advisory Committee reaffirmed the dilemma referred to in its earlier report, namely the need to achieve substantial savings without affecting full implementation of mandated programmes and activities.

42. In conclusion, the Advisory Committee was of the view that it was not necessary at the moment for the General Assembly to take action to revise appropriations (para. 37). Rather, ACABQ was recommending that the Secretary-General should update the estimates contained in document A/C.5/50/57/Add.1 in the context of the first performance report on the 1996-1997 budget, and that the General Assembly should revise appropriations at that time, after it had taken action on the proposals in the Secretary-General's report (para. 38).

AGENDA ITEM 120: HUMAN RESOURCES MANAGEMENT (A/51/304, A/51/421 and A/51/475; A/C.5/49/63 and 64, A/C.5/50/64, A/C.5/51/1-3, A/C.5/51/6 and A/C.5/51/7)

43. Mr. HALLIDAY (Assistant Secretary-General for Human Resources Management) introduced document A/C.5/51/1 containing the report of the Secretary-General on

action taken since the beginning of 1995 to implement his new human resources management strategy, as endorsed by the General Assembly in its resolution 49/222 A. He stressed the complex nature of the undertaking, which involved changing the Organization's management culture and creating a work environment that encouraged all staff to contribute to their maximum potential. It was a long-term undertaking that could last 5 to 10 years. In order to produce lasting results, it must be implemented gradually with the participation of those concerned; it also required an investment to be made. And it must be assessed from time to time in order to make the necessary adjustments.

44. Speaking to delegations which had been surprised by the untraditional language used in human resources management documents, he noted that a new reality required a new language. He also welcomed the questions posed by delegations in that connection, which seemed to indicate interest in the efforts made by the Secretariat which, after a phase of redefining concepts and language, had begun to take specific initiatives.

45. Far from being an end in itself, the reform undertaken was aimed at the achievement of the Organization's programmatic goals. The strategy of the Secretary-General was aimed at creating a new management culture that would focus on performance and the provision of quality services to Member States. It involved, in particular, increasing the responsibility and accountability of programme managers, whose authority would be expanded and who would be given the necessary support to optimize the resources entrusted to them, the most important one being the staff.

46. The need to act had been recognized in many areas: improvement of leadership skills, human resources planning, performance management, staff training and advanced training, career mobility and support, the Organization's obligation to be a model employer, the affirmation of the Secretariat's global character and the opening of a dialogue with Member States (in directing the Organization's course), programme managers (in order to help overall management to be more responsive to their needs) and staff representatives (on matters affecting staff welfare and conditions of service). The experience of the past two years had demonstrated that it was a long and difficult process to change the status quo but there was clear evidence that many managers, staff members and staff representatives were beginning to see the positive aspects of change. Fiscal uncertainty had made what was by nature a very delicate task even more arduous. As a result of the financial crisis, in 1996, the Office of Human Resources Management had had to assign some of its staff to implement early separation programmes and redeploy staff, as mandated by General Assembly resolutions 50/214 and 50/215. The process had taken place with the participation of managers and staff representatives, and the best interest of the Organization had been the paramount concern.

47. The actions taken to implement the Secretary-General's strategy had been the result of joint efforts by programme managers, staff and the Office of Human Resources Management. As staff expenditures represented 75 per cent of the Organization's budget, improving the Secretariat's management culture obviously required the improvement of people management skills. Over the past 15 months, over 300 directors and senior Professional staff members from all duty stations had undergone a comprehensive training programme designed to reinforce

managerial accountability and responsibility and promote sensitivity to gender and diversity issues in the workplace. As part of the programme, participants assessed themselves, and were evaluated by supervisors, peers and staff, in relation to 10 qualities considered to be essential for managers in the international civil service. Follow-up sessions were conducted 6 months later to evaluate the impact of the training.

48. In July 1996, the Secretary-General, his Chief of Staff and the Headquarters under-secretaries-general had participated in a symposium on ways of achieving the change to a people-oriented, performance-based management culture, developing a common understanding of the strategic role of top management and enhancing cross-departmental cooperation and communication. Feedback from the earlier programmes had been shared with the participants and goals had been set. A second symposium for heads of offices away from Headquarters (including the executive secretaries of the regional commissions) and assistant secretaries-general across the Secretariat was scheduled for the end of October 1996.

49. The introduction of a work-based, integrated performance management system was another important element. In 1995 and 1996, more than 10,500 staff members at all duty stations and in some peacekeeping missions had been trained in work planning and performance appraisal. For reasons of cost-efficiency, staff in certain smaller overseas offices would receive training through a videotaped presentation. Thanks to a "train-the-trainer" programme, the training would be provided at all duty stations. As mandated by General Assembly resolution 49/222 A, the Performance Appraisal System (PAS) was being implemented at all levels, up to and including under-secretaries-general. Departments and offices had begun a 1-year performance cycle, beginning in either January or April 1996, depending on their operational needs.

50. The benefits of those measures could be seen in a number of areas, including work planning and prioritization, delegation of responsibility, communication, performance monitoring, the fostering of responsibility and accountability, human resources deployment and productivity. In the course of staff-supervisor dialogues required by PAS, managers were expected to encourage individuals to pursue additional skills in order to broaden their own horizons and enhance their contribution to the Organization's skill mix.

51. In 1994 the General Assembly had established a human resources planning group. A better projection of future human resource needs facilitated recruitment, skill development and career management. In turn, an examination of existing equitable geographical distribution levels and attrition patterns made it possible to target national competitive examinations and gear recruitment efforts to geographical distribution goals and functional skill requirements. Such forecasts would be incorporated into future reports on the composition of the Secretariat. Global Integrated Management Information System (IMIS) capacity would be an important tool for providing that kind of information.

52. The Secretary-General's reports on the composition of the Secretariat (A/50/540 and A/51/421) showed a decrease in the number of unrepresented, under-represented and over-represented countries. From 30 June 1995 to 30 June 1996,

the number of countries in the first group had fallen from 25 to 23, in the second group from 25 to 22 and in the third group from 19 to 16. The number of Member States "within range" had increased from 116 to 124. Some Member States had great difficulty in making skilled individuals available to the Secretariat, which, in turn, made 100 per cent success in achieving equitable geographical distribution difficult.

53. As described in the report on the improvement of the status of women in the Secretariat (A/51/304), as at 30 June 1996, women had occupied 35.1 per cent of the posts subject to geographical distribution, as compared with 34.1 per cent in the previous year. On the same date, the number of posts with special language requirements that were occupied by women had reached 36.3 per cent. The percentage of women in posts at the D-1 level and above had risen from 17.1 to 17.9. Efforts had been made to protect those gains. Thus, in 1996, three quarters of the participants in the early separation programme had been men, as compared with two thirds in 1995.

54. As a follow-up to the Fourth World Conference on Women, the Secretary-General had appointed a special adviser on gender issues, who chaired a steering committee which monitored progress and made recommendations on ways of improving the status of women in the Secretariat. He referred delegations to administrative instruction ST/AI/412 which consolidated all the measures designed to ensure equal opportunity for women. In the context of collaboration with other organizations of the United Nations system on such issues as childcare, parental leave and spouse employment, the Secretary-General had introduced staggered working hours. The Secretariat appreciated the cooperation extended by Member States and organizations of the common system in addressing these issues and identifying employment opportunities for the spouses of Secretariat staff.

55. Despite those efforts, the goal of equality between men and women, prescribed in Article 8 of the Charter of the United Nations, had not yet been achieved. The redeployment of staff affected by the 1996 cost reduction exercise had diverted resources which would otherwise have gone to establish networks and rosters for effective recruitment of women candidates. The Secretary-General and his senior management staff remained committed to making further efforts to improve the status of women throughout the global Secretariat; in order to do that, however, they needed assistance from Member States and programme managers.

56. Recruitment through national competitive examinations had improved both geographical distribution and female recruitment. It had been decided that P-2 and P-3 staff recruited through the national competitive examinations and P-2 staff recruited through the G-to-P examination should be assigned to two different functions under two different supervisors - to the extent possible, at different duty stations - during their first four or five years of service. Young professionals could thus develop a broader perspective on the Organization as a whole, have more diverse learning experiences and be exposed to greater possibilities for career development; moreover, their managers would have the performance advice of more than one direct supervisor. The Office of Human Resources Management would monitor the programme closely and undertake

systematic training, subject to the availability of adequate financial resources.

57. In response to the concerns expressed by Member States, the Secretariat had recently taken a number of steps to lay the groundwork for a staff development and support system, which would satisfy the Organization's skill requirements while meeting the aspirations of staff members. Managed reassignment programmes for language staff and staff performing administrative and management functions were in development. Despite significant cuts in the resources allocated for training, the Secretariat was endeavouring to maintain important programmes, especially those which focused on administration and management (particularly the management of peacekeeping operations), information technology, the upgrading of substantive skills, conflict resolution and collaborative negotiation skills, and language and communication skills. Programmes were also being developed specifically for staff in the General Service and related categories.

58. Recalling the provisions of paragraph 56 of General Assembly resolution 50/214, he indicated that the Secretary-General was reviewing the financial and administrative implications of providing language courses at all main duty stations. The outcome of that review would be reported in the context of the proposed programme budget for the biennium 1998-1999.

59. In keeping with the strategy endorsed by the General Assembly, the Secretariat was working in cooperation with the International Labour Organization to develop a United Nations staff college, relying entirely on extrabudgetary funding. The college was already providing integrated cost-effective training in such areas as peacekeeping, humanitarian assistance and development activities. Naturally, the success of all the initiatives intended to facilitate career development depended not only on the Organization but also on the attitude of individual staff members.

60. By its decision 50/485, the General Assembly had decided to return to the matter of the employment of retirees at its fifty-first session, and not to extend the derogation for conference services beyond 30 October 1996. In his report on the issue prepared at the request of the General Assembly (A/C.5/51/2), the Secretary-General emphasized that the employment of retirees was advantageous, particularly in areas such as peacekeeping, humanitarian assistance, conference services and administration. Retirees had a unique experience of the Organization, were often immediately available, and could be productive from the start. In that area, the Secretariat had always been careful to comply with General Assembly resolutions 37/237 and 49/222 B, which had set the $12,000 yearly cap currently in force, to avoid impinging on the career development of serving staff, and to comply with the regulations of the Pension Fund. While welcoming the reports of the Advisory Committee on the subject (A/51/475), the Secretariat wished to clarify two misunderstandings.

61. Firstly, the employment of retirees did not reflect bad human resources planning; it was a cost-effective solution to the Organization's peak-period staffing needs and to short-term, unanticipated needs in such areas as peacekeeping and humanitarian assistance, when the United Nations did not have

the required capacity or could not, for reasons of cost or timing, train external staff.

62. Secondly, the Secretariat was doing everything it could to train the staff it needed; it had, however, sought to concentrate its limited resources on strengthening the capacities of serving staff rather than continuing the experimental programme for training external language staff.

63. In view of the 30 October cut-off date set by the General Assembly for the employment of retirees, he hoped that the additional information provided at the current session and the report of the Advisory Committee would enable the Committee to arrive at an early decision.

64. He invited the Committee to take note of the amendments to the 100 and 200 series of the Staff Rules contained in document A/C.5/51/7. The purpose of the changes to the 100 series was to adjust the terminology applied to the subsidiary panels of the appointment and promotion bodies and to simplify the process of considering cases before the Appointment and Promotion Committee. Another change, entailing no cost to the Organization, related to the granting of special leave in order to protect the pension rights of staff. The rules were also amended to broaden the scope of conciliation procedures and to simplify and expedite the procedure for handling small claims. The amendment to the English text of the 200 series was of an editorial nature.

65. The staff-management consultative process had not functioned smoothly during the past 18 months. Given its obligation to improve the efficiency of the Organization and to accept significant budgetary reductions, management had had to make some difficult decisions, which had not always been welcomed by staff. Constraints of various kinds had prevented management from demonstrating the same degree of flexibility as in the past. As could be seen from document A/C.5/51/1 and from the documents on the costs and modalities of staff representation activities (A/C.5/49/63, A/C.5/49/64, A/C.5/50/64 and A/C.5/51/6), every effort had been made to keep the staff at large informed and to consult with elected staff representatives. The Secretary-General could not share his obligation under the Charter to act in the best interests of the Organization. He hoped that the Committee would review the issue of staff-management consultation in the light of the information before it and would offer its views on the processes in place and the significant direct and indirect costs involved.

66. Finally, he recalled that the staff of the Office of Human Resources Management continued to carry out the tasks traditionally allotted to them. Despite the difficulties, efforts to implement the strategies set out by the Secretary-General and endorsed by the General Assembly would continue. He trusted that the Committee would support those efforts.

67. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had formulated quite specific recommendations in its report on the employment of retirees (A/51/475). Comments had been made in ACABQ on the question of recommending a complete ban on rehiring retired staff. There were obvious instances of abuse in that area, and it was a symptom of poor management and lack of human resources planning.

However, the Advisory Committee had agreed that there were circumstances which forced the Secretariat to employ retired staff to meet demands in such fields as conferences services. Such employment should, nevertheless, be very exceptional, and should be strictly controlled and monitored by the Office of Human Resources Management. No retiree should be employed for more than six months a year.

68. The Advisory Committee had found the Secretary-General's proposals on the remuneration of retirees to be cumbersome and quite confusing. ACABQ recommended the very simple procedure of maintaining existing arrangements, but adjusting the limit to $22,000 per year to take account of inflation. That rule should apply to every retiree except for conference staff, who should also not be employed for more than six months in any calendar year.

69. ACABQ would not submit a separate report on the Secretary-General's strategy for the management of human resources (A/C.5/51/1). The Advisory Committee's comments and recommendations on the Performance Appraisal System and reform of the internal system of justice were contained in paragraphs 87 to 95 of ACABQ's first report on the proposed programme budget for the biennium 1996-1997 (A/50/7), and in its ninth report (A/50/7/Add.8), respectively.

70. Mr. SEVAN (Assistant Secretary-General for Conference and Support Services, United Nations Security Coordinator), introducing the report of the Secretary-General on respect for the privileges and immunities of officials of the United Nations and the specialized agencies and related organizations (A/C.5/51/3), said that the security of staff members remained a matter of great concern to the Secretary-General and the agency heads. Ten staff members had lost their lives in the performance of their duties during the reporting period, and the number of staff members under arrest and detention or missing was considerable (their names were contained in annexes II and I respectively). Some staff members were serving in extremely dangerous conditions. He urged the Committee to provide the resources needed for their protection before it was too late.

AGENDA ITEM 118: PATTERN OF CONFERENCES (A/51/32, A/51/125, A/51/253, A/51/268 and Corr.1 and A/51/337)

71. Mr. ZAHID (Chairman of the Committee on Conferences), introducing the report of the Committee on Conferences (A/51/32), drew the attention of the members of the Fifth Committee to the draft revised calendar of conferences and meetings for 1997 contained in the annex to the report. The Committee on Conferences recommended that the Fifth Committee should adopt the draft calendar, which had been prepared in collaboration with the Secretariat and the agencies concerned, in order to meet the requirements of the entire United Nations, to avoid overlaps and to ensure optimum use of conference services.

72. Pursuant to paragraph 4 of General Assembly resolution 50/206 A, no sessions were scheduled to open or close on 10 February or 17 April 1997, and United Nations bodies were invited to avoid holding meetings on those days. The Committee on Conferences had requested the Secretariat to make similar arrangements when drafting the calendar of conferences and meetings for 1998-1999. Furthermore, in view of current financial constraints, the Committee recommended that the General Assembly should consider the budgetary impact of

any meetings added to the calendar adopted for 1996-1997, taking into account that available resources would be sufficient to service only the number of meetings in the calendar.

73. The Committee on Conferences had expressed its concern at the utilization of conference services, which was less than 80 per cent for many bodies. It would therefore continue to take concrete measures to assist United Nations bodies to make the best use of the scarce resources available. The Chairman of the Committee on Conferences had already consulted in person with the chairmen of organs where the utilization factor had been lower than the established benchmark figure, and had sent a number of letters to intergovernmental bodies encouraging them to use conference services more efficiently. Conference Services had been encouraged to conduct active dialogues with the secretariats of the bodies concerned on the subject of meetings and documentation. Considering that all those measures had been successful, the Committee had requested its Chairman to continue to hold consultations and to write to the chairmen of bodies which had failed to attain the 80 per cent benchmark, inviting them to report on measures to improve their utilization and to make better evaluations of their real needs. The Committee had also decided to make such active dialogue a permanent coordination measure. A letter had been sent to intergovernmental bodies, emphasizing the importance of punctuality and indicating the current costs of conference servicing. Thanks to the cooperation between the President of the General Assembly and the chairmen of the Main Committees, considerable improvements in punctuality had been made.

74. In order to rationalize the use of interpretation services, the Committee on Conferences had urged intergovernmental bodies to take into account, during the planning stage, meetings of their regional groups and other major groupings of Member States and to dovetail such meetings with those of the sessional body. It had requested them to notify Conference Services well in advance of any cancellations so that unutilized resources could be reassigned.

75. The Committee had devoted much of its work to the consideration of issues related to documentation. The view had been expressed that the bureaux of intergovernmental bodies should urge Member States to make every effort to consolidate and shorten reports, review their need for documentation in general and for recurrent documentation in particular, biennialize and triennialize agenda items and comply with the rules to control and limit documentation. In that regard, the Committee had recommended that the General Assembly should reiterate the recommendations contained in its resolution 50/206 C and should request intergovernmental bodies to report to it on the relevant measures taken. It had further recommended that the Assembly should request the Secretariat to submit to it every two years updated information on the number and length of documents and to pursue its efforts with a view to improving the quality of documentation (both substance and presentation), by applying new publishing techniques to reduce the consumption of paper.

76. The Committee had continued to express interest in the use of unedited transcripts in lieu of verbatim records and had recommended that the General Assembly should request the Committee on the Peaceful Uses of Outer Space to continue to keep it informed of its experience with the use of such transcripts. It had also requested the Chairman of the Committee to invite the chairmen of

intergovernmental bodies which received written meeting records to consider the possibility of issuing unedited transcripts of one meeting for comparison purposes with a view to the possible substitution of such transcripts for their usual records in the future.

77. With regard to the optical disk system, the Committee on Conferences had recommended that the use of such technologies should not constitute an alternative to traditional documents during the transition to Organization-wide electronic documentation. It had further recommended that the General Assembly should request the Secretariat to present proposals, in accordance with paragraph 3 of resolution 50/206 D, on facilitating access by developing countries to the optical disk system in all official languages.

78. The Committee on Conferences continued to be concerned about the impact on Conference Services of the cost-saving measures which had been proposed by the Secretary-General in document A/C.5/50/57. It had communicated its views on the matter to the Chairman of the Fifth Committee in a letter which had been published as document A/C.5/50/66. In the Committee's view, the concurrence of the body concerned must be sought before any action was taken to alter entitlements to meetings. Increased reliance on self-revision should not impair translation quality and all official languages must receive equal treatment. The Committee had also noted that the deferral of technological innovations would be counterproductive in terms of cost-effectiveness.

79. With regard to the holding of bilateral meetings, on the recommendation of the Committee on Conferences, the Secretariat had established an electronic mail capacity through which delegations could request the use of meeting rooms.

80. Mr. SEVAN (Assistant Secretary-General for Conference and Support Services) said that the situation of the Office of Conference and Support Services was becoming untenable, since it was being asked to do more and more with less and less resources. During the 1994-1995 biennium, 1,760 meetings had been provided with full services at Headquarters, 43 million words had been translated and 1,570 million pages had been printed, which represented rates of increase of 30, 25 and 14 per cent, respectively, over the figures for the 1988-1989 biennium. Over roughly the same period, nearly 20 per cent (271) of posts had been eliminated. Resources for temporary assistance during the current biennium were only 60 per cent of actual expenditures for the previous biennium.

81. In response to the challenge, the Office of Conference and Support Services had increased productivity, tightened procedures, improved its workflow management and introduced more advanced technologies. But even though they allowed the Office to provide more and better services, efficiency gains and technological advances alone could not close the widening gap between capacity and demand. In order to service a meeting, it was still necessary to have a team of 14 interpreters, a conference officer and a documents officer.

82. Output statistics for the first half of 1996 showed a drop in workloads. That dip, however, appeared to reflect not so much a decrease in demand as a lowering of conference servicing capacity. In order to prevent any reduction in the level of essential and mandated services, measures had been taken which had had an impact, notably on the provision of services to meetings of regional

groups and other major groupings of Member States which were serviced on an "as available" basis. The Secretariat had been unable to provide the services requested in 35 per cent of cases, as against 25 per cent during the previous biennium. It had also become necessary to delay the publication and processing of some verbatim and summary records and to provide only minimal furnishing in meeting rooms in which bilateral consultations were held. The translation of many publications had been suspended and their circulation and storage reduced.

83. It was simply not possible to reduce resources still further while demanding the same quality of services unless something was done, if not to reduce then at least to stabilize demand. However, despite the appeal to all bodies made by the General Assembly in its resolution 50/206 C, the volume of documentation continued to increase, thereby frustrating the Secretariat's efforts to achieve savings. Failure to observe deadlines for the submission of documents further complicated the task of Conference Services. Six weeks prior to the opening of the fifty-first session, only 15 per cent of pre-session documents had been submitted to Conference Services and, by mid-October, 40 per cent was still pending.

84. The revised calendar of conferences and meetings for 1997 reflected proposals that would add 220 new meetings to the calendar adopted in 1995 and that figure did not include meetings of bodies whose mandates had been renewed after the session of the Committee on Conferences (such as the high-level working groups of the General Assembly, which had already held 219 meetings with interpretation services in 1996). When the initial budget proposals for the 1996-1997 biennium were being considered by the Fifth Committee and the Advisory Committee on Administrative and Budgetary Questions, the Secretariat had stated that financial constraints required a ceiling of 7,000 to be placed on the total number of meetings with full services that could be held at Headquarters during the biennium. After the adoption of a reduced budget in 1995, it had insisted on the need to observe that ceiling. The calendar of conferences changed continuously, since certain meetings, such as those of the Security Council and its subsidiary bodies, could not be predicted with any degree of accuracy. The Secretariat estimated that 3,400 meetings would have been held by the end of 1996 and that the number would be slightly higher in 1997. The additional meetings proposed made it likely that the ceiling of 7,000 would be exceeded.

85. The capacity to service a meeting and the cost of servicing depended on the total volume of work and the timing of the meeting. The Secretariat was looking into the possibility of changing the dates of some of the additional meetings in order to minimize their impact on servicing costs and to reduce the risk - which was very real - that at some point in 1997 temporary assistance funds would have been used up. The Fifth Committee could greatly contribute to the success of the Secretariat's efforts by accepting the meeting dates between January and September 1997 which the Secretariat had proposed.

86. He appealed to delegations to realistically review their needs, as the General Assembly had repeatedly requested. The situation had become extremely frustrating for the staff of Conference Services, who, faced with the shortage

of resources, could no longer continue to provide the high quality of services which Member States quite rightly expected of them and which made them the best service in the world.

The meeting rose at 1.15 p.m.